



VERITABLE

FIRM BROCHURE **(PART 2A OF FORM ADV)**

March 31, 2012

VERITABLE, L.P.
6022 West Chester Pike
Newtown Square, Pennsylvania 19073
610 640 9551
610 640 9554 F
www.veritablelp.com

IMPORTANT DISCLOSURE:

This Brochure provides information about the qualifications and business practices of Veritable, L.P. (“Veritable”), an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). If you have any questions about the contents of this Brochure, please contact us at (610) 640-9551 or contact Charles Keates, General Counsel and Chief Compliance Officer, by email at ckeates@veritablelp.com. Registration with the SEC does not imply that either Veritable or its employees possess a certain level of skill or training. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Veritable is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2. Material Changes

This section will be amended annually, as necessary, to identify and discuss material changes that may have occurred in the interim following a previous release of this Brochure. As such, we discuss here only material changes since our last annual update of this Brochure on March 31, 2011.

In February of 2011, Veritable liquidated and dissolved Veritable HR Partners, L.P., a Delaware limited partnership structured as a single manager fund for the purpose of investing in real estate securities, as a result of the manager's retirement.

In August of 2011, Veritable formed Veritable NI Partners, L.P., a Delaware limited partnership structured as a single manager fund for the purpose of investing in real estate.

In the event that any information contained in this release of our Brochure becomes materially inaccurate prior to an annual update, we will provide you with ongoing amendments as necessary.

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Item 4. Advisory Business

Overview of Advisory Firm

Veritable, L.P. (“Veritable”) is an investment adviser registered with the U.S. Securities and Exchange Commission (the “SEC”). Veritable was founded in 1986 as Stolper & Co. In 1997, Veritable merged into PNC Bank, forming Hawthorn, a PNC Company. Veritable emerged in its present form in April 2004, when its partners, managers of Hawthorn’s investment consulting business, completed a management buy-out. Michael A. Stolper owns 25% or more of Veritable and is considered a principal owner, as the term is defined by the SEC. He also owns 100% of Veritable’s general partner, Veritable GP, LLC and serves as its Managing Member. Mr. Stolper is responsible for the overall management and direction of our organization. He is supported by Veritable’s Executive Committee with regard to operations of the firm and the Strategic Investment Committee with regard to investment policy, strategy and tactics.

Services Provided to Advisory Clients (other than Affiliated Funds)

Veritable provides discretionary investment supervisory services to its advisory clients (“advisory clients” or “clients”). Investment supervisory services include investment advising, investment consulting, portfolio management, portfolio administration, portfolio reporting and accounting services. Our pool of advisory clients is largely comprised of members of a family, referred to as our “relationships,” excluding LP Only Investors and Affiliated Funds. (See below for more details regarding our clients). Specific agreed-to services are detailed in each advisory client’s Investment Consulting Agreement (“ICA”), an agreement entered into by Veritable and each of its advisory clients. Under the terms of the ICA, advisory clients appoint Veritable to act as an adviser granted with full discretion over investment decisions related to the advisory client’s assets under management (“AUM,” further described below).

The ICA also confers to Veritable the authority to recommend and retain other investment advisers not affiliated with Veritable to manage certain portions of an advisory client’s AUM. Veritable may also recommend and invest advisory clients’ AUM in pooled investment vehicles such as limited partnerships, limited liability companies and offshore corporations, private funds, fund-of-funds and hedge funds (collectively, “Investment Funds”). Such Investment Funds may be unaffiliated with Veritable (“Non-Affiliated Funds”), or may be affiliated with Veritable on the occasion that Veritable or an entity organized or controlled by Veritable is the general partner, manager or adviser of such Investment Funds (“Affiliated Funds”). Clients will execute all relevant and necessary documentation with respect to investments in Affiliated Funds and/or Non-Affiliated Funds approved by the client. In addition, Veritable may also recommend mutual funds, exchange-traded funds and other public investment vehicles.

Veritable provides five fundamental services to its advisory clients:

1. Identifying investment objectives and risk tolerance;
2. Developing and documenting asset allocation, investment policy and investment strategy;
3. Implementing the investment strategy;

4. Providing continuous organization, administration, monitoring and reporting of financial assets; and
5. Performing due diligence on traditional, hedge and alternative fund managers.

(For additional details outlining how Veritable tailors its advisory services to the individual needs of each client, see Item 8: Methods of Analysis, Investment Strategies and Risk of Loss below).

Advisory Services Provided to Affiliated Funds

In addition to its advisory clients, Veritable also provides advisory services to Affiliated Funds (defined above), pursuant to an Investment Management Agreement (“IMA”) with each Affiliated Fund. As outlined in the IMA, Veritable assists and advises Veritable Partnership Holding, Inc. (“VPHI” or “General Partner”), a wholly-owned subsidiary of Veritable and the General Partner of each Affiliated Fund, with managing certain business operations of an Affiliated Fund. As manager or adviser of an Affiliated Fund, Veritable assists and advises the General Partner with: (i) identifying, evaluating and selecting potential investment funds (“Non-Affiliated Funds”) in which to invest an Affiliated Fund’s assets and potential investment managers (“Non-Affiliated Managers”) to manage all or a portion of an Affiliated Fund’s assets; (ii) allocating an Affiliated Fund’s assets among the Non-Affiliated Funds and Non-Affiliated Managers; (iii) monitoring the ongoing performance of an Affiliated Fund; and (iv) providing other portfolio management, investment management, administrative and managerial services for an Affiliated Fund.

Notice Regarding Certain Affiliated Fund Investors: Investors in the Affiliated Funds who have no other relationship with Veritable (*i.e.*, they are not receiving comprehensive investment consulting services pursuant to an ICA), are referred to as LP Only Investors and are not separate advisory clients of Veritable. As such, Veritable will not directly provide LP Only Investors with any separate investment consulting services related to their respective investment(s) in the Affiliated Funds.

Recommendations Regarding Affiliated Funds

Veritable often recommends its Affiliated Funds to advisory clients; in certain instances Veritable will even build a new Affiliated Fund for advisory clients and tailor it to meet the specific objectives of those relationships. The advisory clients have final approval over whether or not to use any recommended pooled investment vehicles; in the event they choose to do so, the Affiliated Fund(s) and advisory client will execute an agreement memorializing their investment relationship.

Recommendations Regarding Non-Affiliated Investment Managers and Non-Affiliated Funds

Veritable may recommend to its advisory clients the selection and retention of other Non-Affiliated Managers to manage certain portions of a Veritable advisory client’s AUM. Veritable may also recommend to its advisory clients certain Non-Affiliated Funds for investment of portions of the client’s AUM. In general, all investments managed by Non-Affiliated Managers

and all funds invested in Non-Affiliated Funds will be treated as AUM by Veritable and will be subject to the payment of the Investment Consultant Fee (see Item 5: Method for Calculating Investment Consultant Fee). Each advisory client will execute agreements with Non-Affiliated Managers and Non-Affiliated Funds approved by such client. All compensation paid to Non-Affiliated Managers and to Non-Affiliated Funds (if applicable), specified in the sub-advisory agreement with the Non-Affiliated Manager or in the Non-Affiliated Fund's operating documents, will be in addition to compensation payable to Veritable under the ICA.

Assets under Management

As of December 31, 2011, Veritable managed approximately \$10,310,100,000 (\$10.3 billion) of client assets on a discretionary basis.

An Observation Regarding the Methodology for Computing Number of Clients and Accounts

As of December 31, 2011, Veritable manages 193 family relationships, excluding LP Only Investors and Affiliated Funds. While "Item 5: Information About Your Advisory Business" on Form ADV is complete and accurate as of December 31, 2011, a counting of each advisory client or alternatively, each account, results in a number much higher than the actual number of family relationships.

This seeming discrepancy is a result of Veritable's previous method of counting each sub-family relationship as a separate "Client" in Item 5C. Such sub-family relationships are often grouped together using internal criteria such as the grouping together of related individuals and family entities covered under the same quarterly report(s), investment policy and/or ICA, as well as those covered under the same Investment Officer Team. Additionally, Veritable includes each LP Only Investor (although such investor is not an investment consulting client of Veritable) and each Affiliated Fund in the client count. With respect to the "Total Number of Accounts" in Item 5F, Veritable counts each individual custody or prime broker account for each individual and family related entity. One unintended outcome of this previous methodology is that dividing the total discretionary AUM by either the number of clients listed in Item 5C or the number of accounts in Item 5F results in an arithmetic average of AUM for each family relationship much smaller than the actual numerical average.

Wrap Fee Programs

Veritable does not offer or participate in wrap fee programs.

Item 5. Fees and Compensation

Veritable receives compensation for the investment advisory services it provides to its clients in the form of fees calculated by either a percentage of AUM or, in the alternative, a fixed fee. Veritable is also compensated for the portfolio and investment management services that it provides to the Affiliated Funds (see Affiliated Funds fee schedule below) by either Comprehensive Fees and/or Management Fees paid by the Affiliated Funds. Veritable's fee

schedule has been revised at times in the past. Fee breakpoints and the methodology described below reflect Veritable's current fee policy.

Investment Consultant Fee

Veritable is compensated as an Investment Consultant for providing investment recommendations, portfolio management and investment consultant services to its advisory clients with respect to their AUM in accordance with the Basic Fee Schedule (the "Basic Fee Schedule") and other provisions as agreed to in each client's ICA. Veritable's Basic Fee Schedule for new clients will be the greater of \$75,000 per year, or:

- 45 Basis Points (0.45%) per annum on the first \$50 million of AUM
- 35 Basis Points (0.35%) per annum on the next \$150 million of AUM
- 25 Basis Points (0.25%) per annum on the next \$300 million of AUM
- 15 Basis Points (0.15%) per annum on amounts over \$500 million of AUM

Affiliated Funds' Comprehensive Fees or Management Fees

Under the terms of an IMA, each Affiliated Fund is an advisory client of Veritable. Certain Affiliated Funds pay Veritable a fee (either a "Comprehensive Fee" or "Management Fee," depending upon the Affiliated Fund) pursuant to the terms of the limited partnership agreement for each Affiliated Fund. The specific nature, rate, method of calculation and manner of payment of the Comprehensive Fee or Management Fee for investors is fully disclosed in the Offering Documents of each Affiliated Fund. Comprehensive Fees or Management Fees cover services provided by Veritable to Affiliated Funds including portfolio management, investment management and administrative services and may be waived, rebated or reduced in some instances. The fees pertaining to Affiliated Funds are described in the Schedule of Affiliated Fund Comprehensive Fees and Management Fees below. "Class A" Investor Fees pertain to advisory clients. "Class B" Investor Fees refer to LP Only Investors.

Comprehensive Fees and Management Fees are in addition to the Investment Consulting Fees; therefore, advisory clients may be subject to duplicate portfolio and investment management fees when all or part of the advisory client's AUM are invested in Affiliated Funds. However, to the extent an advisory client is subject to the Basic Fee Schedule above and is also an investor in one or more of Veritable's Affiliated Funds, Veritable will reimburse the client for any Comprehensive Fees or Management Fees paid by the Affiliated Funds on their behalf.

Comprehensive Fees and Management Fees only cover services performed by Veritable as the manager of Affiliated Funds and not as the separate Investment Consultant of LP Only Investors. LP Only Investors are not separate advisory clients of Veritable.

Schedule of Affiliated Funds' Comprehensive and Management Fees

| <u>Fund</u> | <u>Fees</u> |
|---|---|
| <u>Perceval Investment Partners, L.P.</u> <u>Pleiades Investment Partners, L.P.</u> <u>The Vittoria Fund, L.P.</u> | <ul style="list-style-type: none"> • Class A Limited Partner subject to a Comprehensive Fee paid quarterly at an annual rate of 0.35% of a Class A Limited Partner's capital; or • Class B Limited Partner subject to a Comprehensive Fee paid quarterly at an annual rate of 1.60% of a Class B Limited Partner's capital |
| <u>The Pleiades Offshore Fund, Ltd.</u> <u>The Vittoria Offshore Fund, Ltd.</u> | <ul style="list-style-type: none"> • Offshore investor subject to a Management Fee paid quarterly at an annual rate of 1.25% of the net assets of the Fund; and • Each Offshore Fund itself, as a Class A Limited Partner in its respective onshore fund, is subject to the Comprehensive Fee described above for such fund. |
| <u>Veritable AV Partners, L.P.</u> <u>Veritable BP Partners, L.P.</u> <u>Veritable CC Partners, L.P.</u> <u>Veritable Global Event Driven Strategy, L.P.</u> | <ul style="list-style-type: none"> • so long as a Class A investor remains an investment consulting client of Veritable, the investor will not be subject to a Management Fee; or • Class B Limited Partner subject to a Management Fee paid quarterly at an annual rate of 1.25% of a Class B Limited Partner's capital |
| <u>Veritable Silver Point Partners, L.P.</u> <u>Veritable WCP Partners, L.P.</u> | <ul style="list-style-type: none"> • Management Fee paid quarterly at an annual rate of 1.25% of the Limited Partner's capital account. However, so long as the investor remains an investment consulting client of Veritable, the Management Fee is waived. • Administration Fee for time spent by Veritable's personnel in managing the Fund; not to exceed 0.50% per year of the value of the Fund's assets* <p>*Administration Fee has been waived for all investors.</p> |

| | |
|--|---|
| <p><u>Veritable Private Equity Partners, L.P.</u></p> | <ul style="list-style-type: none"> • Management Fee paid quarterly at an annual rate of 1.25% of the Limited Partner's capital account. However, so long as the investor remains an investment consulting client of Veritable, the Management Fee is waived. • Administration Fee for time spent by Veritable's personnel in managing the Fund; not to exceed 0.50% per year of the value of the Fund's assets* <p>*Administration Fee has been waived for all investors.</p> |
| <p><u>Veritable Regiment Partners, L.P.</u></p> <p>There are two series of this partnership:</p> <p>Veritable Regiment Partners, L.P. – Series A Veritable Regiment Partners, L.P. – Series B</p> | <ul style="list-style-type: none"> • Management Fee paid quarterly at an annual rate of 1% of the Limited Partner's capital account. However, so long as the investor remains an investment consulting client of Veritable, the Management Fee is waived. |
| <p><u>Veritable NI Partners, L.P.</u></p> <p>There is one series of this partnership:</p> <p>Veritable NI Partners, L.P. – Series I</p> | <ul style="list-style-type: none"> • Management Fees with respect to each Series Limited Partner, shall be an amount equal to the product of 0.3125% per quarter (1.25% annualized) multiplied by the aggregate Series Capital Contribution less Distributions of such Series Limited Partner • The Investment Manager has waived the Management Fees for all Class A Limited Partners of each Series. |
| <p><u>Bennu Investment Partners, L.P.</u></p> | <ul style="list-style-type: none"> • Advisory Fee based on the Limited Partner's invested capital • Administration Fee for time spent by Veritable's personnel in managing the Fund, not to exceed 0.50% per year of the value of the Fund's assets* <p>*Administration Fee has been waived for all investors.</p> |
| <p><u>HTWI, L.P.</u></p> | <ul style="list-style-type: none"> • Management Fee paid quarterly at an annual rate of 1% of the Limited Partner's capital account. However, so long as the investor remains an investment consulting client of Veritable, the Management Fee is waived |

Fee for Recommendations of Non-Affiliated Managers and Non-Affiliated Funds

Unless otherwise stated in their individual ICAs, advisory clients are subject to Veritable's Investment Consultant Fee for all investments managed by Non-Affiliated Managers and all assets invested in Non-Affiliated Funds. Each advisory client will execute agreements, including fee agreements, with Non-Affiliated Managers and Non-Affiliated Funds approved by the advisory client. All compensation paid by advisory clients to Non-Affiliated Managers and/or Non-Affiliated Funds will be in addition to compensation payable to Veritable as the Investment Consultant under the terms of the advisory client's ICA.

Other Expenses

In addition to paying the Investment Consultant Fee (as well as being subject to any Comprehensive and/or Management Fees, if applicable), each client is responsible for all expenses that arise directly out of transactions effected by Veritable on behalf of a client pursuant to the advisory client's ICA or the Affiliated Fund's IMA. Such expenses include custodial fees; taxes (and any penalties or interest with respect thereto) required to be withheld, assessed against the investment or client, or otherwise payable by the client; investment expenses such as commissions, interest on margin accounts and other indebtedness; borrowing charges on securities sold short; and other expenses reasonably related to the purchase, sale or transmittal of the AUM. Furthermore, a client invested in one or more of the Affiliated Funds will pay additional expenses incurred through each Affiliated Fund. These expenses include payments made by the Affiliated Fund for third-party services such as management fees, performance fees or special allocations paid to Non-Affiliated Managers and Non-Affiliated Funds, audit, tax, accounting, legal, custody and other administrative fees.

Clients will also incur brokerage and other transaction costs. Please refer to Item 12: Brokerage Practices, for more information about brokerage fees.

Method for Calculating Investment Consultant Fee

Veritable's Investment Consultant Fee will be calculated on each advisory client's total AUM as it is identified in the portfolio summaries or appraisals at the end of quarterly report(s) prepared for each advisory client and itemized in quarterly billing invoices prepared by Veritable and submitted to each advisory client.

A. Assets under Management ("AUM") Defined

Upon executing an ICA by and between an advisory client and Veritable, each advisory client's starting AUM is agreed upon by all parties and is identified as AUM in the quarterly report(s) and separate billing invoice(s) prepared by Veritable and submitted to the advisory client going forward. AUM includes all marketable securities, interests in Investment Funds, cash and other property, that are either held on behalf of an advisory client in one or more custodian accounts or are legally titled in such advisory client's name. AUM is held by either a single qualified custodian or several different qualified custodians.

AUM includes any cash or securities owned by an advisory client at the time the ICA is executed (and identified as part of the AUM by the advisory client) and any time thereafter, and the parties mutually agree that all such assets are includable in AUM for fee calculation purposes, without regard to the date of purchase or investment. For example, unless expressly excluded by the ICA, AUM may include, but is not limited to, interests in both Affiliated and Non-Affiliated Funds and concentrated stock positions, including Non-Affiliated Funds which were selected and purchased by an advisory client or its previous advisor(s) prior to retaining Veritable. To the extent AUM includes Non-Affiliated Funds and concentrated stock positions, Veritable will provide continuous and regular supervisory or management services with respect to such assets excluded from AUM, even though the nature and extent of Veritable's activities may vary depending on the nature of such assets. Securities excluded from AUM are listed on Attachment C of the ICA, and are further discussed below.

B. Certain Securities Excluded from AUM

1. Reportable Items

While the parties may agree to exclude certain securities from the total AUM calculation and specify such exclusions on Attachment C to the ICA, such exclusions may appear as reportable items in either one or more of the portfolio summaries or appraisals at the end of each advisory client's quarterly report(s) or in a supplemental or separate section at the back of the report(s) as determined appropriate or informative by Veritable. Additionally, Veritable may track performance of certain excluded securities at its discretion. In any event, securities that are excluded from AUM will be clearly marked as such in the report(s).

2. Supplemental Limitation of Liability and Indemnification Regarding Excluded Assets

With respect to such excluded securities, Veritable will not be liable for any loss, damage or liability incurred by advisory clients arising out of any investment advice provided by Veritable at the request of an advisory client and without compensation. An advisory client will indemnify, defend and hold Veritable and its officers, directors, employees, agents and representatives harmless from and against any suit, judgment, claim, demand, loss, liability, expense, interest and legal fees and expenses ("Losses and Expenses") arising out of or in connection with the ICA or Veritable's provision of any investment advice on excluded assets.

C. Fee Payment and Calculations under the Basic Fee Schedule

The Investment Consultant Fee (the "Fee") charged by Veritable is based on either the Basic Fee Schedule set forth in Attachment B of the ICA or another schedule agreed to by the parties in writing. Each advisory client will receive quarterly invoices that specifically identify, for that period, the total AUM subject to charge, the current fee schedule being applied, a breakdown of each person or entity being charged, each custody account from which the Fee is being automatically deducted, if applicable, and whether the person or entity is being separately billed. The method of payment will be determined by the parties in the ICA.

The Fee will begin accruing as of the date of the fully executed ICA unless otherwise agreed to by the parties. To the extent that related parties are covered by the same ICA, the Fee will be allocated among such parties on a *pro rata* basis (*i.e.*, in proportion to the respective AUM of such related parties) unless otherwise agreed to by the parties. The Fee will be charged quarterly in advance during the first month of each calendar quarter based on each advisory client's total AUM as of the last quarter end, except for the first billing cycle. For the first billing cycle, the Fee will be calculated retroactive to the date of full execution of the ICA and applied after the initial quarterly report is prepared. Fees may be negotiated under certain circumstances, which may result in different advisory clients paying different fees. With respect to billing arrangements, to the extent certain clients wish to be treated differently for purposes of billing by the Veritable, such differential treatment will be reflected as an addendum to or in Attachment B of the ICA. For most of Veritable's advisory clients, the Fee is typically deducted automatically from advisory clients' assets; however, several advisory clients have requested Veritable to invoice them instead.

D. Calculations Relating to the Affiliated Funds

The nature, rate, method of calculation and manner of payment of the Comprehensive Fee or Management Fee is disclosed in the Offering Documents relating to each Affiliated Fund in which a client or LP Only Investor invests.

Termination of Investment Consulting Agreement; Interests in Affiliated Funds

Subject to the terms of each advisory client's ICA, the ICA may typically be terminated by any party to the ICA with at least 30 days' prior written notice given to the other party(ies). Any fees paid prior to the effective date of termination of the ICA will be prorated to the date of termination specified in the notice of termination, and any unearned portion of such fees will be refunded to the applicable client(s).

In the event that the ICA is terminated with respect to an advisory client and such client at the time of termination holds limited partnership interests or other interests ("Interests") in one or more of The Vittoria Fund, L.P.; Pleiades Investment Partners, L.P.; Perceval Investment Partners, L.P.; Veritable AV Partners, L.P.; Veritable BP Partners, L.P.; Veritable CC Partners, L.P.; Veritable Global Event Driven Strategy, L.P.; or Veritable NI Partners, L.P., each of which is an Affiliated Fund, and such client wishes to remain invested in one or more of those Affiliated Funds, such client's Interests will automatically be converted to a different share class that applies to investors of such Affiliated Fund(s) that are not advisory clients of Veritable. All such actions are conducted pursuant to the applicable agreement(s) of limited partnership and as further described in the applicable Offering Documents. The nature, rate, method of calculation and manner of payment of either the Comprehensive Fee or Management Fee that apply to such different share class is fully disclosed in the Offering Documents of each Affiliated Fund.

In the event that the ICA is terminated with respect to an advisory client, and such client at the time of termination holds Interests in one or more Affiliated Funds other than those specifically identified in the immediately preceding paragraph, such client agrees that the terms of the ICA will continue to be applicable to such Interest(s), subject to the following modifications:

(i) unless otherwise agreed to in writing by the parties, the Interest(s) will be the sole investment held by the client until the Interests are liquidated or transferred in accordance with the applicable agreement(s) of limited partnership and applicable law; and

(ii) so long as such client continues to own the Interest(s), the client will pay to Veritable an annual fee that will be charged quarterly. Such annual fee will be either 1.25% or 1.00% of the market value of the Interest(s) or capital commitment as specified in each Affiliated Fund's Offering Documents, or, if applicable, an amount calculated in accordance with a new compensation schedule that is agreed to in writing by the parties.

Withdrawals from the Affiliated Funds, to the extent applicable, require prior written notice to the General Partner as specified in each Affiliated Funds' Offering Documents.

Item 6. Performance-Based Fees and Side-by-Side Management

Veritable does not receive any performance-based fees or allocations. However, Veritable typically enters into arrangements with Non-Affiliated Managers and Non-Affiliated Funds which provide that the Non-Affiliated Managers (including the Non-Affiliated Managers of both Affiliated Funds and Non-Affiliated Funds) are compensated, in whole or in part, based on the appreciation in value (including unrealized appreciation) of the account during specific measuring periods.

Performance-based compensation arrangements may create an incentive for Non-Affiliated Managers and Non-Affiliated Funds to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements. An Affiliated Fund may be required to pay performance-based compensation to Non-Affiliated Managers or Non-Affiliated Funds who make a profit for an Affiliated Fund in a particular fiscal year even though an Affiliated Fund may, in the aggregate, incur a net loss for such fiscal year.

We expect that from time to time a specific client account (including Affiliated Funds that are considered client accounts for these purposes) and our other accounts may participate in an investment opportunity at the same time. To the extent an investment opportunity is suitable for any such vehicles or accounts, the investment opportunity will be allocated in a fair and equitable manner in accordance with Veritable's Allocation Policy with Respect to Unaffiliated Managers (the "Allocation Policy"). Clients may direct any questions or requests for additional information regarding the Allocation Policy to Charles Keates, CCO, at 610-640-9551.

Item 7. Types of Clients

Veritable contracts for its services primarily with high net worth individuals and their family-related entities, such as trusts, estates, private charitable organizations, other corporations and business entities, but may also include pension and profit sharing plans and public non-profits. Although there is no set minimum of AUM, accounts generally begin at \$20 million or more of AUM.

The minimum subscription in each of the Affiliated Funds, except for HTWI, L.P., is \$1,000,000. The minimum subscription for HTWI, L.P. is \$100,000. Each minimum subscription may be reduced, waived or increased by the General Partner in its sole and absolute discretion.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

A. Advisory Client Portfolio Management

Veritable was founded 25 years ago on the belief that we would strive to provide conflict-free, objective advice to individuals and families. This advice would encompass designing a plan and evaluating investment alternatives to implementing and monitoring the plan and its performance. What was missing from the investment community at that time was an organization that was prepared to see the investment process through the client's eyes – an advisor that would never lose sight of the client's unique needs and circumstances. This was, and will always be, Veritable's mission.

Veritable's investment philosophy is founded on several fundamental tenets:

1. Each client's financial objectives are unique and customization is required to help achieve their goals;
2. Accurately assessing risk tolerance is key to long-term strategy success;
3. Investment opportunities should be evaluated on an after-tax and after-fee basis*;
4. Client asset management expenses should be allocated towards opportunities that provide the greatest probability of investment out-performance; and
5. Control and liquidity provide quantifiable value in achieving investment success.

*Although Veritable considers the tax implications of transactions on a client's portfolio, Veritable does not provide tax advice or tax management services as part of its services to clients. A client should always consult with its tax advisor for specific tax advice.

Veritable's investment philosophy combines a pragmatic approach to establishing risk tolerance and a long-term commitment to a diversified set of higher risk capital market investments. The construction of the low risk, fixed income portfolio allocations is dominated by an analysis of client-specific objective and subjective inputs rather than interest rate and economic forecasting or market timing.

Higher risk market allocations (equities and related asset classes) are built on a capital-market-weighted basis that is adjusted to reflect certain client, opportunity-set and market-specific considerations. Veritable uses a combination of passive investment solutions and active managers to implement the higher risk allocations. The resulting asset allocation is intended to promote a tax-efficient and disciplined long-term approach to investing. As Veritable clients generally appreciate safety and protection of their capital in down markets and portfolio participation in up markets, Veritable often employs hedged strategies in high-risk markets.

At the outset of a relationship, Veritable drafts an initial Investment Policy (the “Policy”) that will be presented to the family relationship for review, feedback and ultimate ratification. Policy development begins with interviews of family members and advisors (to understand the family history, origin of the wealth, investment experience, cash flows, current investments, tax situation, personal goals and unique circumstances) and thorough reviews of relevant documents including brokerage statements, trust and estate documents, tax returns and the like. After this information is gathered and analyzed, Veritable documents its understanding of the family’s unique circumstances and its goals and risk tolerance in the Policy and recommends an asset allocation and implementation plan (including timing of purchases and sales, if applicable). Veritable’s asset allocation recommendations are derived through a combination of quantitative and qualitative analysis of a family’s or entity’s/portfolio’s unique circumstances (described in detail below). While Veritable is mindful of expected returns, standard deviations and correlations, it deemphasizes the use of models to determine “optimal” allocations because of the many shortfalls inherent in such models.

In establishing asset allocation recommendations, Veritable first establishes a baseline allocation to lower risk investments by analyzing the expected net withdrawals from a client’s portfolio over a period of ten to fifteen years. By immunizing the present value of these expected liabilities through the purchase of lower risk assets (*i.e.*, predominantly cash and bonds), clients can more confidently invest the remainder of their portfolio in higher risk investments in pursuit of enhanced returns. This lower-risk baseline may be modified based on the clients’ goals for their wealth, overall comfort and familiarity with the market and a mindfulness of the current state of the market.

The relevance of this baseline allocation to lower risk investments is then assessed by gaining an understanding the individual’s or family’s innate ability to tolerate volatility in a portfolio and absolute dollar and percentage losses. Ultimately, Veritable aims towards an asset allocation recommendation between lower and higher risk assets that has a high degree of likelihood of meeting a family’s objectives while protecting the portfolio from permanent declines in value.

Allocations to higher risk asset classes are generally based on world capital market weights such that the largest markets, like developed international equities and large-cap U.S. equities, are assigned the biggest allocations and smaller markets, like high yield bonds or emerging market equities start with the smallest allocations. These ‘baseline’ allocations are then adjusted according to a series of overlays.

The first overlay incorporates client attributes such as balance sheet and income statement items (such as concentrated or illiquid holdings, business activities or unique liabilities) and personal comfort or familiarity with various asset classes. These considerations may lead to a recommendation to over or underweight certain asset classes.

The second overlay addresses the relative availability of talented active management and/or hedged strategies within each asset class, either one of which could result in over or underweighting an asset class relative to the baseline allocation.

The third overlay provides a constrained level of opportunism relative to market weights. Veritable monitors a variety of spread and valuation metrics and the opinions of a wide variety of

talented investment managers with whom it has regular contact. This may cause us to occasionally recommend modest adjustments in capital market weights or the introduction of investment strategies that do not otherwise fit the definition of a traditional capital market.

Policies are designed to withstand routine market fluctuations, and are written to incorporate our clients' anticipated life events. That said, these Policies are revised periodically to adjust for life-changing circumstances such as family death, sale of a business or a marked change in objectives or cash flow needs.

With respect to rebalancing portfolios, Investment Officers monitor the departure of a client's portfolio from its Policy allocation, weighing the costs (transaction and tax related) and benefits of rebalancing. A key consideration is whether an over or underweight to a specific asset class poses an unwarranted risk in the portfolio.

Outside managers may themselves choose to change their net exposure, which would affect the portfolio's exposure to a specific asset class. Veritable actively monitors those changes and incorporates them in the rebalancing decision discussed above. Additionally, Veritable continuously performs research on emerging opportunities and, when appropriate, may suggest measured allocations to such investments.

B. Affiliated Fund Investment Management

As part of our advisory services, we will from time to time make recommendations with respect to a client's investment in Affiliated Funds. The following is an overview of the methods of analysis and investment strategies with respect to managing the Affiliated Funds. For more information about an Affiliated Fund, please refer to the specific Fund's Offering Documents. Veritable also makes recommendations with respect to the selection and retention of other Non-Affiliated Managers to manage certain portions of the clients' AUM and recommends Non-Affiliated Funds in which portions of the clients' AUM may be invested.

Members of Veritable's Research Team meet with a significant number of managers and screen even more by phone annually. These activities are augmented by the Investment Officer teams. Our manager ideas originate from a variety of sources, including: other money managers, regulatory filings, industry publications, industry contacts, clients, etc. Our clients invest globally with well-known, and sometimes difficult-to-access, managers through investment vehicles that meet their specific needs. Such methods include: investing directly into managers' funds, managed accounts, limited partnerships, mutual funds, fund of funds and pooled client access partnerships (also called funds of managed accounts or affiliated multi-manager vehicles) across traditional long only, long/short equity, private equity, credit, real estate as well as a variety of other alternative asset classes.

Regarding asset classes where Veritable expects clients to have continuous exposure, we have dedicated research resources charged with finding, researching and monitoring the best managers in these areas. Furthermore, Veritable's Strategic Investment Committee identifies additional areas of interest and responds to incoming ideas. The Strategic Investment Committee then makes recommendations to Michael Stolper, Managing Member of the General Partner, about what avenues of research the firm should pursue.

A fundamental tenant of Veritable's investment selection decision is to understand an investment or a manager's investment process and how that investment or process may generate returns in the future. In accomplishing this, we attempt to understand how an investment works. To that end we perform extensive research about a strategy and asset class, and when appropriate, engage outside experts to assist us in the process.

Veritable seeks managers that possess the following characteristics:

- a. integrity, both of the organization and its people;
- b. a well-defined, original, repeatable research process;
- c. a reputable and verifiable investment background;
- d. strong analyst support with low turnover;
- e. low assets under management (if appropriate for the asset class);
- f. a passion for their brand of investing (with no or very limited reliance on Wall Street); and
- g. a large portion of manager's net worth invested in the strategy.

Veritable's Research Team conducts research or interviews with portfolio managers, analysts, traders and operations staff at potential investment firms to gain a better understanding of the process, culture, roles and responsibilities and to evaluate the manager's proprietary idea generation, analysis techniques and source of future performance. Veritable believes that seeing where and how someone works is critical in assessing his or her potential for future success. In general, it takes several on-site meetings and calls with a manager to arrive at the formal due diligence stage of the screening process.

If Veritable determines that a manager may possess the ability to generate excess returns in the future, we continue the due diligence process, which may include as many as 50 substantive reference checks, operational due diligence, background checks and preliminary negotiation of terms. While many advisors outsource this function, Veritable executes this due diligence internally by highly trained and experienced people. We believe that this enables our Research Team to ask better questions and rely on years of context and experience in a particular investment space. For example, having the right context around who a manager is and being able to disarm strangers who you are calling on for valuable reference information is critical. When one of our researchers can draw connections to relationships we may have in common with a potential reference, we immediately engage that person in a different way than we would an uninformed caller. Similarly, by being prepared and having experience, our researchers can engage a reference for valuable insights about a particular type of investment. Lastly, as a source of other potential investment ideas, calling on references can generate unique flow and access otherwise unavailable if this function was outsourced.

Due diligence also includes analyzing how historical returns were created. Where Veritable has high levels of positional transparency with prospective managers, portfolio trades are reviewed to analyze how their returns were generated. Absent this analysis, an investor must rely on numerous statistical measures for assessing risk. Although we do not ignore these metrics, we see them as a supplement, rather than the core of our fundamental analysis of a manager's returns. With that said, many qualitative factors are better leading indicators of future poor returns. For example, while an explosive growth in assets under management can be a sign

of poor future returns, a predecessor to that asset growth could potentially be the development or expansion of a marketing department.

Additionally, operational due diligence plays a prominent role in Veritable's manager due diligence process and has the ability to disqualify a manager regardless of how well the manager might do in the investment category. Finally, due diligence does not end after a manager is hired; instead, it is a continuous process that must be maintained. Knowing when to exit an investment with a manager is just as important as entering into a relationship with one.

Almost all of Veritable's research, manager sourcing and due diligence is internal. This research effort is captured in Veritable's growing database of 5,000+ managers and notes and knowledge regarding managers interviewed before the database was established.

Veritable prefers bottom-up, research-driven strategies within the actively managed portions of the portfolio, as opposed to momentum or highly leveraged, high turnover, quantitatively driven strategies. Structurally, Veritable seeks and has obtained separate accounts and positional transparency with most of its public equity managers for many years. The visibility and control of this transparency (along with carefully negotiated terms articulated in individual IMAs), provide greater flexibility and peace of mind to Veritable and its clients during market turmoil. Veritable's current research focus areas include, but are not limited to, established investments such as International Equity, Small-Cap U.S. Equity, Mid/Large-Cap U.S. Equity, Distressed Securities, Credit and Private Equity and Real Estate. Additionally, Veritable continues to explore new investment opportunities such as traditional "pure" alternatives, niche alternatives, activist investing and other equity long/short investment opportunities.

Risk Factors

The investment strategies utilized by Veritable carry different levels of risk. In each strategy, all securities include a risk of loss of principal and any profits that have not been realized. The stock markets, bond markets and derivatives markets fluctuate substantially over time and, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets the firm manages on your behalf, and such a loss may be out of our control. We cannot guarantee any level of performance and cannot guarantee that you will not experience a loss of your account assets.

Each of Veritable's strategies has the potential for the clients' assets to decline in value based on market conditions. Some of the specific risks to which client assets may be susceptible are as follows:

Market Risks

There is the risk that the value of securities owned by clients may decline, at times sharply and unpredictably, as a result of economic changes or other events that affect individual issuers or large portions of the market.

Fixed Income Risks

Investing in fixed income securities, such as corporate or municipal bonds, involves several different types of risks, including interest rate risk, credit risk, prepayment risk, liquidity risk, tax risk and reinvestment risk. Each of these risks can contribute to fluctuations in the price of fixed income securities and possibly even loss of principal.

Risks Associated with Investing in Funds

Investors should be aware that an investment in a Fund (whether an Affiliated Fund or a Non-Affiliated Fund) involves a high degree of risk. There can be no assurance that a Fund's investment objective will be achieved or that a Limited Partner will receive a return of its capital. Investing in securities involves risk of loss that clients should be prepared to bear. For further information, please refer to an individual Fund's Offering Documents.

Concentration in Underlying Fund

A Fund's sole investment may be in an underlying non-affiliated fund (the "Underlying Fund") (*i.e.*, the Fund is a so-called "feeder fund") and thus the Fund's holdings will not be diversified.

Contribution in Excess of Capital Commitment

Pursuant to a limited partnership agreement of a Fund to satisfy an indemnification obligation, a Fund may be required to make a contribution to a Fund in an amount in excess of its uncalled commitment. Each Limited Partner will be severally obligated to contribute its *pro rata* share of the contribution, which may be an amount in excess of its capital commitment to a Fund.

Illiquid and Long-Term Investments

A Fund may invest in illiquid securities, and will generally not be able to sell its interest in an Underlying Fund or any securities distributed to it by an Underlying Fund. A Fund may not be able to withdraw capital or to withdraw as a Limited Partner or member from an Underlying Fund.

Importance of Key Personnel of Underlying Funds

Veritable will have no control over the activities of Non-Affiliated Funds, including investments made by Affiliated Funds in Underlying Funds. The operations of a Non-Affiliated Fund may be heavily dependent upon certain key personnel; the loss of services of such key personnel could adversely affect the Non-Affiliated Funds and, indirectly any Affiliated Funds investing in Underlying Funds.

Management Risk of Funds

The General Partner, with the advice of Veritable, has complete discretion in investing an Affiliated Fund's capital. An Affiliated Fund's success depends, to a great extent, upon the ability of Veritable and the General Partner to establish appropriate investment strategies, to

select Non-Affiliated Managers and to properly allocate a Fund's assets among the Non-Affiliated Managers. Limited Partners have no control over the selection of Non-Affiliated Managers.

Partnership Expenses

The expenses of a Fund (including the payment of fees by a Fund to Non-Affiliated Managers and a Fund's *pro rata* share of expenses of any investment funds managed by Non-Affiliated Managers in which a Fund invests) may be a higher percentage of net assets than would be found in other investment entities. A Fund's investments in other investment entities may result in a significant turnover rate, which in turn may result in commensurably high brokerage fees.

Multiple Levels of Fees

Investors in a Fund may pay multiple levels of fees to different managers for the management of the investment. In the aggregate, these fees may significantly reduce net returns to an investor. If it were possible for an investor to invest directly in an Underlying Fund, the investor might pay fewer levels of fees.

Multiple Portfolio Managers

A Fund may invest with Non-Affiliated Managers who make their trading decisions independently of one another. It is possible that one or more of such Non-Affiliated Managers may, at any time, (i) take positions opposite to those taken by other Non-Affiliated Managers; (ii) compete with one another for similar positions at the same time; and (iii) take positions for their other clients which may be opposite to positions taken for the Fund. The Affiliated Funds disclaim any duty to mitigate the effects of this potential competition of Non-Affiliated Managers.

Performance-Based Compensation Arrangements with Portfolio Managers

A Fund may enter into arrangements with Non-Affiliated Managers that provide that Non-Affiliated Managers be compensated, in whole or in part, based on the appreciation in value of the account during specific measuring periods. Such performance-based arrangements may create an incentive for Non-Affiliated Managers to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements. See discussion above under Item 6: Performance-Based Fees and Side-by-Side Management.

Limits on Information

Although Veritable will request detailed information from each Non-Affiliated Manager regarding the Non-Affiliated Manager's historical performance and investment strategy, it may not always be provided with detailed information regarding all the investments made by the Non-Affiliated Manager because certain of this information may be considered proprietary information by Non-Affiliated Managers.

Lack of Diversification in Funds

Although a Fund may invest its assets across several Non-Affiliated Managers, there is no limit as to the percentage of a Fund's assets that may be allocated to any one Non-Affiliated Manager. It is also possible that several Non-Affiliated Managers may take substantial positions in the same security or group of securities at the same time. This may expose such Fund's investments to more rapid change in value than would be the case if the assets were more widely diversified.

Fund Investment in Unregistered and Restricted Securities

Some Funds will not be registered under the securities laws, are subject to legal and contractual restrictions on transfer and are illiquid. Some Funds may also invest in unregistered securities, the transfer of which is restricted. These investments generally are less liquid than investments in registered securities and may reduce the ability of a Fund to quickly transform its portfolio into cash to pay withdrawals or expenses.

Increased Costs of Frequent Trading

Many of the strategies employed by the Non-Affiliated Managers may require frequent trading and, as a result, portfolio turnover and brokerage commission expenses may significantly exceed those of other investment entities of comparable size.

Derivatives

Complex derivative instruments which seek to modify or replace the investment performance of particular securities, commodities, currencies, interest rates, indices or markets on a leveraged or unleveraged basis may have counterparty risk and may not perform in the manner expected by the counterparties. Derivatives are also subject to interest rate and credit risk volatility, world and local market price and demand, and general economic factors and activity. Derivatives may have very high leverage embedded in them which can substantially magnify market movements and result in losses exceeding the amount of the investment.

Swaps

Investments in swaps involve the exchange by an entity, such as a Fund or a Non-Affiliated Manager, with another party of all or a portion of its respective interests or commitments, which subjects such entity to risk of default by the counterparty. Swaps can also magnify losses and gains due to their structure.

Hedging Transactions by Funds

Veritable may select Non-Affiliated Managers that utilize financial instruments or transactions in seeking to hedge against fluctuations in the relative values of their portfolio positions as a result of changes in currency exchange rates and market interest rates. Such hedging transactions limit the opportunity for gain if the value of the portfolio position should increase, and it may not be possible for Non-Affiliated Managers to hedge against certain exchange rate or interest rate fluctuations.

Short Sales

Clients or Funds may engage in “short selling” of securities. Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on such client’s or Fund’s portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss.

Options

Purchasing put and call options, as well as writing such options, are highly specialized activities and entail greater than ordinary investment risks. The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, to either purchase or sell the underlying security or other instrument for a specific price at a certain time or during a certain period.

Fund Use of Leverage

The use of leverage may expose a Fund to risks such as (i) greater losses from investments than would result in the absence of borrowing to make the investments, (ii) margin calls or changes in margin requirements that may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds a Fund’s cost of leverage related to such investments.

Commodity and Futures Contracts

Commodity futures markets (including financial futures) are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. Commodity futures trading may involve significant leverage and may be illiquid.

Forward Contracts

Unlike futures contracts, forward contracts and options thereon are not traded on exchanges and are not standardized. Forward and “cash” trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Disruptions can occur in any market traded by a Non-Affiliated Manager due to unusually high trading volume, political intervention and other factors. The imposition of controls by government authorities might also limit such forward (and futures) contracts.

Fund Limited Withdrawal Rights

Limitation on withdrawal rights and the inability to trade limited partnership interests create a relatively illiquid investment and involve a high degree of risk.

Lack of Liquidity of Fund Assets, Valuation

A Fund's assets may, at any given time, include securities and other financial instruments or obligations which are thinly-traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The sale of any such investments may be possible only at substantial discounts, and it may be extremely difficult to accurately value any such investments. The valuation of a security by a Non-Affiliated Manager may create a conflict of interest, as their value will affect the Non-Affiliated Manager's compensation.

Foreign Securities

Investing in foreign (non-U.S.) securities may result more rapid and extreme changes in value than investing in securities of U.S. companies due to less liquid markets and adverse economic, political, diplomatic, financial and regulatory factors. Foreign governments also may impose limits on investment and repatriation and impose taxes. Any of these events could cause the value of foreign investments to decline.

Changes in Currency Exchange Rates

When the exchange rate between the foreign currency of an international investment and the U.S. dollar changes, it can increase or reduce the investment return of securities denominated in foreign currencies. During a period when the foreign currency is strong compared to the U.S. dollar, this strength increases the foreign securities' investment return because the foreign earnings translate into more dollars. If the foreign currency weakens compared to the U.S. dollar, this weakness reduces a foreign investment's return because the earnings translate into fewer dollars. In addition to exchange rates, investors should be aware that some countries may impose foreign currency controls that may restrict or delay moving currency out of a country.

High Yield Securities

High yield bonds and preferred securities are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). High yield securities are subject to greater risk of loss of principal and interest than higher-rated securities, as well as being more susceptible to a decrease in liquidity in the market. These high yield securities are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal.

Counterparty and Custodial Risk

To the extent that a Fund or client invests in swaps, derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions or, in certain circumstances, non-U.S. securities, they may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Special Situations

Investing in companies involved in (or the target of) acquisition attempts or tender offers or companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions creates the risk that the transaction in which such business enterprise is involved either will be unsuccessful, take considerable time or result in a distribution of cash or a new security, the value of which may be less than the purchase price of the security or other financial instrument in respect of which such distribution is received.

Item 9. Disciplinary Information

Registered investment advisers are required by the SEC to disclose any material facts regarding any legal or disciplinary events that may be considered material to a client's or prospective client's evaluation of Veritable's advisory business or management. This section is inapplicable as there are no legal or disciplinary events relating to Veritable.

Item 10. Other Financial Industry Activities and Affiliations

The following is a list of the entities affiliated with Veritable:

A. Commodity Pool Operator ("CPO"):

Veritable Partnership Holding, Inc. ("VPHI") is a wholly-owned subsidiary of Veritable and therefore is a person related to Veritable. VPHI is a Delaware corporation that serves as the General Partner of the Affiliated Funds created by the principal of Veritable. Certain Affiliated Funds invest directly or indirectly in commodity interests and therefore are subject to regulation by the U.S. Commodity Futures Trading Commission ("CFTC"). As a result, certain Affiliated Funds are treated as "Commodity Pools" and the General Partner as a Commodity Pool Operator ("CPO"). VPHI is registered with the CFTC as a CPO operating under a CFTC Rule 4.7 exemption. Veritable is not registered with the CFTC either as a Commodity Trading Advisor ("CTA") or CPO. Additionally, Rule 4.7 and Rule 4.13(a)(4) exemptions have been filed for certain Affiliated Funds.

B. General Partner & Manager of Affiliated Funds:

VPHI is a wholly-owned subsidiary of Veritable and therefore is a related person to Veritable. VPHI is the General Partner of the Affiliated Funds. VPHI has contracted with Veritable for Veritable to serve as its Manager of the Affiliated Funds. Veritable may be compensated by each Affiliated Fund under a Comprehensive Fee or Management Fee for performing services including, but not limited to, providing portfolio management, investment management, administrative and other investment services to each Affiliated Fund.

C. List of Affiliated Funds:

VPHI is a related person to Veritable and serves as the General Partner of the following Affiliated Funds which are managed by Veritable (*i.e.*, the “Manager”):

- The Vittoria Fund, L.P., a Delaware limited partnership, formed as a multi-manager partnership in October 1993 for the purpose of investing in actively managed limited partnerships and investment accounts that specialize in international stock investments;
- The Vittoria Offshore Fund, Ltd., an Exempted Company incorporated in the Cayman Islands, formed in September 2002 for the purpose of investing directly into The Vittoria Fund, L.P.;
- Pleiades Investment Partners, L.P., a Delaware limited partnership, formed as a multi-manager partnership in June 1992 for the purpose of investing in actively managed limited partnerships and investment accounts that specialize in small stock investments;
- The Pleiades Offshore Fund, Ltd., an Exempted Company incorporated in the Cayman Islands, formed in September 2002 for the purpose of investing directly into Pleiades Investment Partners, L.P.;
- Perceval Investment Partners, L.P., a Delaware limited partnership, formed as a multi-manager partnership in November 2005 for the purpose of investing in actively managed limited partnerships and investment accounts that specialize in large & mid stock investments;
- Bennu Investment Partners, L.P., a Delaware limited partnership, formed as a multi-manager partnership in April 2001 for the purpose of investing in actively managed limited partnerships and investment accounts that specialize in distressed securities investments;
- HTWI, L.P., a Delaware limited partnership, formed as a single manager partnership in December 1999 for the purpose of investing in private equity investments;
- Veritable Private Equity Partners, L.P., a Delaware limited partnership, formed as a multi-manager partnership in May 2006 for the purpose of investing in private equity investments;
- Veritable Regiment Partners, L.P., a Delaware limited partnership, formed as a single manager partnership in June 2003 for the purpose of investing in high yield investments. There are two series of this partnership, Veritable Regiment Partners, L.P. – Series A, and Veritable Regiment Partners L.P. – Series B;
- Veritable Silver Point Partners, L.P., a Delaware limited partnership, formed as a single manager partnership in December 2004 for the purpose of investing in opportunistic credit investments;
- Veritable WCP Partners, L.P. a Delaware limited partnership, formed as a single manager partnership in December 2004 for the purpose of investing in opportunistic credit investments;
- Veritable CC Partners, L.P., a Delaware limited partnership, was formed as a single manager partnership in November 2007 for the purpose of investing in opportunistic credit investments;

- Veritable BP Partners, L.P., a Delaware limited partnership, formed as a single manager partnership in May 2007 for the purpose of investing in Asia-Pacific investments;
- Veritable AV Partners, L.P., a Delaware limited partnership, formed as a single manager fund in July 2010 for the purpose of investing in opportunistic credit investments;
- Veritable Global Event Driven Strategy, L.P., a Delaware limited partnership, formed as a single manager fund in December 2010 for the purpose of investing in global event driven investments; and
- Veritable NI Partners, L.P., a Delaware limited partnership, formed as a single manager fund in August 2011 for the purpose of investing in real estate.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Veritable or its related persons (e.g., employees) may recommend to clients that they buy or sell securities or investment products in which Veritable or its related persons have some financial interest. Occasionally, certain of our Senior Investment Officers and senior research staff invest in certain Affiliated Funds. Such investments are at the discretion of the General Partner. Employees of Veritable that invest in an Affiliated Fund do not receive any preferential treatment as compared to the Limited Partners or other clients who are not related persons of Veritable.

Pursuant to SEC rule 204A-1, Veritable has adopted a Code of Ethics and Regulatory Manual (the “Compliance Manual”) setting forth the standard of ethical and professional business conduct that Veritable requires of its employees, including compliance with all applicable federal securities laws and regulations and setting forth restrictions, internal procedures and disclosures regarding personal securities transactions by employees designed to address any conflicts of interest in those transactions. A copy of relevant sections of Veritable’s Code of Ethics is available to both current and prospective clients free of charge by contacting Charles Keates, Veritable’s Chief Compliance Officer (“CCO”), at 610-640-9551. Some highlights addressing these concerns are provided below:

Priority of Trading in Non-Affiliated and Affiliated Investment Funds: Veritable’s clients have first priority for investing in both Non-Affiliated and Affiliated Funds before any Veritable related persons are allowed to participate.

Policy Statement on Insider Trading: Veritable precludes its related persons from purchasing or selling the marketable securities of companies in which Veritable’s clients are deemed “insiders” as defined in Veritable’s insider trading policy contained in its Code of Ethics. Furthermore, Veritable prohibits its related persons from purchasing (or selling) securities in their personal accounts with prior knowledge of their clients’ pending purchase (or sell) orders in the same securities. Additionally, Veritable prohibits its related persons from purchasing the same securities for their personal accounts that they intend to subsequently purchase for one of their clients, believing that the client’s purchases will cause the securities’ prices to rise. Likewise, if Veritable related persons are planning to sell certain securities for a client, they are prohibited

from first selling any of the same security they hold in their personal accounts, believing that the client's sales will reduce the securities' prices.

Priority of Transactions Involving Marketable Securities of "Non-insider" Clients: Veritable precludes its related persons from purchasing or selling marketable securities unless the individual has received written clearance for all personal securities transactions prior to completing the transactions or unless the transaction occurs in an exempted security. Veritable has adopted pre-clearance procedures set forth in its Code of Ethics.

Disclosures: As part of Veritable's Personal Transaction Policy, upon commencement of employment, all related persons are required to provide to Veritable's CCO (i) initial and annual holding reports and (ii) quarterly summaries of security transactions for each account or a copy of brokerage statements listing the transaction detail. A copy of Veritable's Code of Ethics is available to clients free of charge by contacting Charles Keates, CCO, at 610-640-9551.

Item 12. Brokerage Practices

Best Execution

Unless a client has a preference for using a specific broker or dealer, Veritable seeks to execute trades through a broker or dealer offering the best execution. Best execution does not necessarily mean the lowest broker commission rates. The following factors, among others, are considered when Veritable's trading desk evaluates its brokerage arrangements and total execution quality of client trades: competitiveness of price spreads; minimal market impact; timeliness of execution and reporting; liquidity of the securities traded; frequency and correction of trading errors; business reputation of broker/dealer; back office and trade settlement capabilities; responsiveness to Veritable's orders; and overall responsiveness to needs of adviser.

Each client has authorized Veritable in the ICA to aggregate, at our discretion, purchases and sales of securities included in a client's AUM with purchases and sales of securities of the same issuer for other Veritable clients occurring on the same day. When transactions are so aggregated, the actual prices applicable to the aggregated transactions and transaction costs will be averaged and will be allocated among the AUM and the accounts of our other participating clients in proportion to the purchase and sale orders placed for each client on any given day.

Veritable does not engage in soft-dollar arrangements.

Directed Brokerage

Clients may direct Veritable to use a particular broker or dealer to execute some or all transactions for the particular client. In such circumstances, the client will negotiate the terms and arrangements with the broker or dealer of the client's choice, and Veritable will not be in a position to seek better execution services or prices from other brokers or dealers or be able to aggregate transactions for such client for execution through other brokers or dealers with orders for other Veritable managed client accounts. As a result, the client may pay higher commissions

or other transaction costs or greater bid-ask spreads, or receive less favorable net prices or transactions than would otherwise be the case.

Item 13. Review of Accounts

A. Internal Reviews by Investment Officer Teams

Each Investment Officer Team (typically headed by a Partner and Senior Investment Officer and supported by one or two other Investment Officers) regularly reviews its respective advisory client accounts on at least a monthly basis and more thoroughly during the preparation of client quarterly reports as part of the team's regular account monitoring responsibilities. These reviews typically include cash and asset class reconciliations, income and expense analysis, contribution and withdrawals, fixed income and equity portfolio analysis and review of current and proposed asset allocations. There are no specific trigger levels regarding reviews. At the end of each quarter, the Investment Officer Teams also provide a detailed written quarterly report to each client which contains performance information, purchase and sale activity, contribution and withdrawal details, current asset allocation, current and historical performance analysis and detailed portfolio appraisals. Team members maintain regular, ongoing dialog with clients concerning investment policy and investment strategy. Each team is typically responsible for 10-20 family relationships.

B. Independent Reviews by Client Portfolio Review Committee

In addition to the internal reviews performed by each Investment Officer Team as discussed above, Veritable's Client Portfolio Review Committee (the "CPR Committee") conducts independent client portfolio reviews. The CPR Committee currently consists of six permanent committee members, namely, the Chief Compliance Officer, the Chief Risk Officer, the Chief Operating Officer, a Senior Investment Officer and two other junior staff members selected from the firm. In addition, a guest Senior Investment Officer serves on the Committee on a rotating basis (typically rotating monthly or otherwise as needed) to provide further views and insights based on significant investment experience.

General/High Level Overview of the CPR Process: Advisory Client accounts are randomly selected for regular review. Each affected Investment Officer Team is notified by e-mail when one of its client relationships has been selected for review. The Team completes and submits a "Client Portfolio Review Checklist" to the CPR Committee; the Committee then begins an in-depth review of the client relationship focusing on, but not limited to: investment policy development and implementation, portfolio construction, liquidity constraints, objective and subjective risk tolerance considerations, trading, client communication, quarterly reports, meeting materials, performance, compliance, risk and internal control considerations and other criteria. The Investment Officer Team and CPR Committee subsequently review the Committee's initial findings and discuss other aspects of the client relationship at a formal Client Portfolio Review Meeting. Following the meeting, the CPR Committee documents its findings and recommendations, and any follow-up items are reviewed, risk-rated, tracked to completion and reviewed as appropriate by the CPR Committee.

Item 14. Client Referrals and Other Compensation

Registered investment advisers are required by the SEC to comment on client referrals and any compensation Veritable or a related person may receive for such a referral. This section is inapplicable to Veritable as we do not participate in receiving or giving client referrals for compensation.

Item 15. Custody

Under SEC regulations, we are deemed to have custody of Affiliated Fund assets. A qualified custodian maintains the assets held by each Affiliated Fund. The Affiliated Funds are subject to an annual audit, and the audited financial statements are distributed to the Affiliated Funds' limited partners in accordance with the custody rule. Such financial statements are prepared in accordance with generally accepted accounting principles (GAAP) by Veritable and are audited by Deloitte & Touche LLP, an independent public accountant registered with and subject to regular inspection by the Public Company Accounting Oversight Board. Veritable has also engaged the service of ParenteBeard LLC, an independent accounting firm, to conduct a surprise examination to ensure Veritable's compliance with Rules 204-2(b) and 206(4)-2 of the Investment Advisers Act of 1940.

Upon liquidation, a fund distributes its audited financial statements prepared in accordance with GAAP to all limited partners promptly after the completion of such audit.

Veritable provides each client with information regarding any custodian of the client's assets in any of the Affiliated Funds. Veritable urges its clients to carefully review the annual audited financial statements they will receive and compare these statements with the quarterly reports Veritable provides to clients.

Item 16. Investment Discretion

Pursuant to a client's executed ICA, advisory clients appoint Veritable to act as discretionary adviser with full discretion over investment decisions related to an advisory client's AUM. Veritable therefore has the discretionary authority to decide which securities to purchase and sell for a client and the amount of each transaction. However, with the exception of fixed income securities, Veritable's Investment Officers typically consult with a client prior to executing trades or selecting Funds for investment. Fixed income purchase or sales are subject to certain constraints set forth in a Statement of Investment Policy previously ratified by a client prior to fixed income trading activity. Fixed income transactions may also be based on the firm-wide fixed income Investment Policy.

Item 17. Voting Client Securities

Veritable does not vote proxies for our clients, and any proxy notices we receive are forwarded to our clients or to the Non-Affiliated Managers that manage the assets of Affiliated Funds. However, Veritable has adopted a Proxy Voting Policy and Procedure in the event that we determine to change our policy with respect to voting proxies for our clients. Clients may direct any questions or requests for additional information regarding Veritable's Proxy Voting Policy to Charles Keates, CCO, at 610-640-9551.

Item 18. Financial Information

Registered investment advisers are required by the SEC to comment on certain financial information or disclosures regarding Veritable's financial condition. This section is inapplicable as Veritable has no financial condition that impairs its ability to meet its contractual or fiduciary commitments to clients, nor has Veritable been the subject of a bankruptcy proceeding.